652 655 object being mainly to effect a better control and levelling of prices in all parts of the country. The one for school text books has been created in order to reduce prices and to prevent the too frequent change of the books made use of in schools, a practice much in vogue in Bulgaria and by which students were exploited to the advantage of certain publishers closely connected with political circles.

Minister P. Todorov took the initative to fuse into one under the title of „Bulgarian Credit" all the provincial banks of the country in order to strengthen their position and reduce their running expenses. The State provided for this purpose a sum of 50 million leva, while the capital of the amalgamated banks amounts to about 100 millions. Eventually it is proposed to increase the capital to 250 million leva. The two State banks, the „Agricultural" and „Central Co-operative bank" have likewise been merged into one to the great advantage of the State and of the co-operative societies as may be inferred from the writer's notes on the co-operative movement.

•654 The Ministry of Finance began to tackle also the problem of the excessive protection granted to the local industry which rendered the prices of all industrial products unapproachable to the impoverished agrarian masses. The advantages and prerogatives hitherto enjoyed by industrial establishments have been curtailed in many directions and the preference they enjoyed over their foreign rivals in so far as supplies to government institution is concerned has in fact been removed.

652 648 Other reforms, having as an object the stabilisation of the civil service, the simplification of judicial procedure, the transformation of the educational system etc, were being studied and would have been shortly applied when unexpectedly the Cabinet of M. Gheorghiev was asked to resign and cease its creative action, on the alleged pre-

of the weather. Local requirements amount to about 60 million tons.

The tendency of the government which assumed power on May 19 1934 was to put a stop to the existing abuses and restrict the privileges granted by the State to such industries as could utilise and transform local raw materials. Their efforts will be facilitated if outlets for Bulgarian produce are secured, and compensation for this facility will no doubt be given in the form of a lowering of the present high tariff. If foreign countries, however, persist in their determination to maintain a policy of autarchy, there will be nothing left for Bulgaria but to follow suit and persist in a policy that is mutually undermining the economic fabric of all the nations.

Mr. J. A. Hobson's remarks on protection, cited above, are well worth pondering over, for its apparent triumph coincides with the decline of democracy and the growing inability of the will of the masses to find expression.

TRADE

Both the commodity composition and the geographical distribution of Bulgarian exports has undergone a considerable transformation since the war. Thus cereals, which until then had figured first as to value on the list of exports, representing as much as 66.6% of the total during the quinquennial period 1908-12, fell to 18.9% for the corresponding period of 1926-30, and to only 10% during 1934, The proportion of tobacco exports on the other hand, has increased from 1.28% to 38.47% and 40%, for the corresponding dates. The Near Eastern and west European markets which in 1911 absorbed respectively 25.09% and 49.53% of Bulgarian exports, in 1931 took only 4.97% and 35.37%. On the other hand exports

not hope to compete in cereal growing with transoceanic countries, and the only advantage to be derived would be to continue raising the same amount of cereals on a more restricted area by employing more advanced methods of cultivation, in order that more land be diverted to other crops demanding more labour and skill.[1] The table on page 184 gives particulars as to the main varieties of cereals cultivated, and their respective yield during the last years

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The harvest of 1934 was affected by drought in the early part of the summer, and the yield was considerably under the average of recent years as may be gauged by the following figures:

	Average yield per hectare during 1926—1934	Yield in 1933 per hectare	Yield in 1934 per hectare
Wheat	1157 kg.	1204 kg	902 kg
Rye	1092 „	1180 „	868 „
Mixture of barley and wheat . . .	1228 „	1248 „	993 „
Barley	1240 „	1441 „	806 „
Oats	816 „	983 „	578 „
Maize	1232 „	1309 „	1221 „

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[654]

[1] Cereal growing is not a remunerative occupation and can only be carried on thanks to the subsidies offered by the State. It has to be carried on however, because Bulgaria can not afford to pay for imported cereals. Their production therefore should be adjusted to local requirements in order to restrict the amount of subsidies disbursed to the minimum.

The cost of wheat may be computed at 2·77 leva per kg., the following items entering into the cost of production per hectare: Ploughing and sowing 2,100, harvesting 300, transport to threshing machine and threshing 400, transport to market 100, seed 250 kg. at 1·25 = 321·25, total 3212·5 leva. Average production per hectare 1157 kg.

In transoceanic countries the cost of production is about 1·25 leva per kg., with a tendency for a further reduction judging from